

DEPARTMENT OF THE ARMY
Corps of Engineers, Portland District
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CENWP-RM-B

Regulation

No. 37-2-11

30 January 2002

Financial Administration
COMMAND OPERATING BUDGETS

History. This issue is a revision of the previous NPPR 37-2-11.

Summary. This regulation on establishing requirements and procedures for preparing command operating budgets has been revised to update some office symbols, office names and change some submittal dates and offices. The changes and/or additions are identified by the **bolded** text.

1. PURPOSE. This regulation establishes the requirements and procedures for preparation of **command** operating budgets within the Portland District.
2. APPLICABILITY. This regulation is applicable to all elements of the Portland District (NWP).
3. RELATED PUBLICATIONS.
 - a. ER 37-1-24 (Operating Budgets).
 - b. ER 37-2-10 (Accounting and Reporting, Civil Works Activities).
 - c. EP 37-1-3 (Operating Budget Process Model).
 - d. **NWPR 15-2-1 (Committee Management), Appendix F (District Corporate Board).**
4. RESPONSIBILITIES.
 - a. **Deputy Chief, Resource Management Office.** The RM Deputy, under the direction of the Resource Management Officer, has the establishment and maintenance of **the Command Operating Budget (COB)** as a primary responsibility. The **RM Deputy** prescribes the format of

*This regulation supersedes NPPR 37-2-11, 15 October 1992.

the budget documents to be utilized, reviews the budget for accuracy, and develops procedures to report actual costs to the District organizational elements. The **RM Deputy** is responsible for the consolidation of the total **COB** for the District. **The COB includes all projected available funds, including program funds and anticipated reimbursable funds.** It also includes overhead, technical costs, and contract costs. The purpose is to develop a total financial picture for the District.

b. Chiefs, Division and Staff Offices. Each division/staff office chief is responsible for the development of an annual operating budget when specified by the Budget, **Manpower and Management Branch**, Resource Management Office (**RM-B**), usually **June to mid-July**.

5. GENERAL. The **command** operating budget is considered a major tool for management of all costs - project and organizational - at district, division and headquarters levels. **It is formulated prior to the start of the fiscal year, and spans three years.** All organizations are required to annually prepare an internal operating budget, which will be used as a guide in monitoring the District's cost of doing business. This information will be used to manage revolving fund accounts, which become part of the civil project costs. It will also be used to establish general and administrative overhead, departmental overhead and **revolving fund** facility **account** distribution rates.

6. PROCEDURES.

a. **RM-B** will provide each organization with instructions for preparation of the annual **command** operating budget.

b. **The COB contains the District's mission statement, the Commander's statement of goals and objectives, a set of assumptions upon which the budget is based, information on planned organizational changes, and the distribution of manpower (full-time equivalents – FTE) to each office. It shows the cost of running each of the command's offices and lists/considers all restrictions, limitations and targets assigned for the fiscal year.**

c. Submittals by each division/office will be reviewed by **RM-B**, consolidated into the **COB**, and presented to the Program Budget Advisory Council (PBAC) prior to the start of the fiscal year. After review and approval by the PBAC, the **COB will be presented through the District Commander to the Regional Management Board (RMB) for final approval by the Division (NWD) Commander.**

d. Actual performance will be monitored by **RM-B** and the respective offices. **At least quarterly, RM-B will update budget vs. actual reports and provide them to the District Commander, Deputy District Commander, and division/staff office chiefs. More detailed actual expenditure data is available at any time through queries on the Corps of Engineers Financial Management System (CEFMS).**

e. As division/staff offices monitor financial performance, **RM-B** will be advised of any significant changes. The budget will be revised as necessary to reflect major changes in the program. **Significant changes will be submitted to the PBAC for approval. The budget should not be exceeded without prior approval of a fully documented request for an Unfinanced Requirement (UFR) by the Resource Management Office, or the PBAC/Commander, as appropriate.**

f. There will be a mid-year review of the **Command Operating Budget** by the **PBAC and RMB in March or April of the fiscal year.** Each division/office will have an opportunity to update their budget plan **relative to criteria or targets determined by RMB.**

FOR THE COMMANDER:


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